

**MINUTES
RECESS MEETING OF CITY COUNCIL
Diamondhead, Mississippi
Council Chambers, City Hall
August 24, 2016
6:00 pm CST**

I. Call to Order – Mayor Schafer called the meeting to order at 6:00 p.m. CST

1. Invocation – Councilmember Sislow
2. Pledge of Allegiance – Councilmember Rech

3. Roll Call –
Present: Mayor Schafer, Councilmembers Woolbright, Knobloch, Sislow and Rech. Absent: None. Ward 1- Vacant
4. Confirmation or Adjustment of the Agenda Order – Councilmember Knobloch moved, seconded by Councilmember Woolbright, to accept and approve the agenda

Ayes: Woolbright, Knobloch, Sislow, Rech and Mayor Schafer. Nays: None. Absent: None. Ward 1 - Vacant.

MOTION CARRIED UNANIMOUS

II. Presentation Agenda

1. Council Comments
 - a. The next regularly scheduled Council Meeting will be held at 6:00 p.m. CST on September 6, 2016 in Council Chambers located at 5000 Diamondhead Circle.
 - b. The FY17 Budget will be adopted at the Formal Meeting on September 6, 2017.
 - c. City Hall will be closed Monday, September 5, 2016 in observance of Labor Day.

III. FY 17 BUDGET PUBLIC HEARING.

1. Presentation of FY17 Budget and Tax Levy

City Manager Reed presented the FY17 Proposed Budget totaling \$9,120,514 with total projected revenues of \$6,394,347 including General Fund revenues of \$4,422,597. Reed explained the proposed levy of 34.00 mills would generate 2,974,497 in ad valorem taxes. An overview of grants, departmental expenses for operating and capital outlay, and highlights for FY16 was provided. Reed further explained the FY17 projected cash balance is \$499,519 inclusive of \$252,508 restricted funds with disaster contingencies and operating reserve

funds of \$1.48 million. In closing, Reed pointed out the City would expend \$1.7 million for grant funded projects and prided the council for its aggressive funding of \$1.2 million to continue drainage, streets and paving improvement project for FY17.

2. Public Comments - FY17 Proposed Budget

Duane Wilson addressed the Council encouraging additional funding for East Hancock Library. Wilson explained the importance of a community library and the opportunities for the citizens. He compared Diamondhead to surrounding cities that have libraries.

Jane Lee addressed the Council encouraging additional funding for East Hancock Library. She explained Diamondhead deserves the same quality library as seen in other areas of the County. A local library is a convenient to our citizens to both adults and children. She referenced State Law regarding funding for libraries stating the what is not funded by the City is made up by the County. She stated that she fel the City could afford \$30,000 for a quality library.

Penny Crawford addressed the Council opposing additional funding for the East Hancock Library. Crawford explained that in her opinion the City was being held hostage by the Library and that the Library is under duress. currently has not restored the services in place prior to its closure. She stated internet was not available and therefore the use of the electronic card catalog system and other internet uses were not available to the citizens. Crawford also alleged she witnessed an incident where staff was unable to help a patron since they are not connected to the system. She stated that she feels as though the internet is being help up and the City is being held hostage and ransom is requested. She stated she remains opposed to \$20,000 for the library.

Courtney Thomas, Hancock County Library System Director, addressed the Council requesting additional funding. She explained that internet service was not available at this time due to provider back log and completing the process required for E-rate pricing resulting in a major savings to the system.

Norris Crawford addressed the Council with questions regarding the projected cash balance. Question the \$4 million cash balance and borrowing \$.5 million ending up with \$250,000 cash balance year end. He suggested a budget of this next year will, will result in 60 or 70 mill property tax. Councilmember Knobloch offered to explain

the cash balance privately for Crawford to understand the state reporting requirement.

Eddy Lee addressed the Council about his drainage concern for Montjoy Creek. Montjoy Creek runs in to Rotten Bayou forming a dam. He suggested this project has been discussed for years now and the DEQ permit for the project is nearing expiration. He said for years discussions with the POA finally ended in referral to the City. He asked the City to look into breaking the dam stating an occurrence such as past rain events would result problems.

VI. Adjourn/Recess

At 6:39 p.m. CST and with no further business to come before the Council, Councilmember Sislow moved, seconded by Councilmember Rech, to adjourn.

Ayes: Woolbright, Knobloch, Rech, Sislow and Mayor Schafer. Nays: None. Ward 1 – Vacant
Absent: None.

MOTION CARRIED UNANIMOUSLY

Thomas E. Schafer, IV
Mayor

Jeannie Klein
City Clerk